# Section 10: Electronic Commerce Services

## Available Transactions

The EDS Electronic Commerce Services (ECS) unit offers support to providers, software vendors, billing services, value-added networks (VANs), and clearinghouses in matters related to electronic data interchange (EDI). This includes providing supporting transactions implemented with the Health Insurance Portability and Accountability Act (HIPAA), including the following:

- Health Care Claim: Dental ASCX12N 837 (version 004010X097A1)
- Health Care Claim: Professional ASC X12N 837 (version 004010X098A1)
- Health Care Claim: Institutional ASC X12N 837 (version 004010X096A1)
- Health Care Payment/Advice ASC X12N 835 (version 004010X091A1)
- Health Care Claim Status Request and Response ASC X12N 276/277 (version 004010X093A1)
- Health Care Eligibility Benefit Inquiry and Response ASC X12N 270/271 (version 004010X092A1)
- Health Care Services Review: Request for Review and Response ASC X12N 278 (version 004010X094)
- Transmission Receipt Acknowledgment ASC X12 997 (version 004010)
- Payroll Deducted and Other Group Premium Payment for Insurance Products ASC X12N 820 (version 004010X061)
- Benefit Enrollment and Maintenance ASC X12N 834 (version 004010X095A1)

In addition, ECS provides technical support to the users of the North Carolina Electronic Claims Submission Web-based tool (NCECSWeb).

## Electronic Claims Submission

Submitting claims electronically offers a low-cost, highly reliable alternative to paper claim submission. EDS currently processes claims through the following electronic formats: modem, secure file transfer protocol (SFTP), and compact disk (CD-ROM). More than 95% of all Medicaid claims are currently submitted electronically. Electronic claims processing benefits providers in the following ways.

## Improved Cash Flow

Claims submitted electronically are processed faster than paper claims, so payments are received more quickly. Claims submitted electronically by 5:00 p.m. on the cut-off date are processed on the following checkwrite.

**Note**: The electronic cut-off schedule and the checkwrite schedule are available on DMA's website at http://www.ncdhhs.gov/dma/2003check.htm.

## Saved Time

Billing software offers time-saving features such as automatic insertion of certain pieces of information, retrieval of old claims from backup files, and generation of lists of commonly used billing codes.

## Ease of Use

EDS automates Medicaid claim tracking. By utilizing the capabilities inherent in some software packages, providers can create reports and track paid and denied claims. Electronic back-up files facilitate claim resubmission.

## Support

ECS analysts are available Monday through Friday, 8:00 a.m. through 4:30 p.m., at 919-851-8888 or 1-800-688-6696, menu option 1.

# Billing Claims Electronically

All providers who submit claims electronically—whether through a clearinghouse, with software obtained from an approved vendor, or through NCECSWeb—must complete and return an **Electronic Claims Submission Agreement** to DMA for each billing provider number. If the Medicaid billing number is a group number, page 4 of the agreement must be completed by all of the individuals in the group.

Notification of approval is mailed back to the requesting party within 10 working days. Notifications of approval must be received from DMA before providers can begin billing electronically. To obtain a copy of this agreement for either a group or an individual, visit DMA's website at http://www.ncdhhs.gov/dma/formsprov.html.

## Trading Partner Agreements

Providers and clearinghouses that bill HIPAA-compliant transactions directly to N.C. Medicaid are required to complete and submit a trading partner agreement (TPA) to EDS. The TPA stipulates the general terms and conditions by which the partners agree to exchange information electronically. ECS will work with the trading partner's staff to exchange and analyze technical information. The TPA form is available on DMA's website at http://www.ncdhhs.gov/dma/hipaa.htm.

## Billing with the North Carolina Electronic Claims Submission Web Tool

NCECSWeb is available to providers at no charge. NCECSWeb can be used only to bill claims to N.C. Medicaid. Providers are required to receive a **logon identification** number (also known as an authorization number or submitter ID) and **password** to NCECSWeb. NCECSWeb replaces all previous versions of ECS software issued by N.C. Medicaid.

## Billing with Software Obtained from a Vendor

A variety of software programs that provide integrated health insurance billing are available. Providers must obtain software from a vendor who has written the program using specifications adopted under HIPAA. For a list of approved vendors, call the ECS unit at 1-800-688-6696 or 919-851-8888, menu option 1.

After verifying that the vendor has tested their software with EDS, call the ECS unit at 1-800-688-6696 or 919-851-8888, menu option 1, to obtain a **logon identification** number and a **password**. It is not necessary to test the software prior to submitting claims. Once providers are notified that the **logon** and **password** have been activated, they can begin submitting claims electronically.

## Billing with Software Written by Your Office or Company

Facilities and providers may develop their own software for electronic claims filing. This software must comply with the electronic standards as adopted under HIPAA. HIPAA Transaction Implementation Guides may be obtained from Washington Publishing Company at http://www.wpc-edi.com. In addition, N.C. Medicaid Companion Guides, designed for use in conjunction with HIPAA Transaction Implementation Guides, may be found at http://www.ncdhhs.gov/dma/hipaa/compguides.htm. Once the software program has been written, call the ECS unit at 1-800-688-6696 or 919-851-8888, menu option 1, to obtain a **test logon identification number** and a **password**.

Providers are asked to submit 5 to 20 test claims electronically. These claims can be previously paid claims or new claims that will be submitted for payment at a later date. Claims must have valid information and dates of service that are not over one year old. The claims are tested for compliance to HIPAA standard format only.

The EDS Testing Coordinator contacts providers with test results within 5 to 7 working days. No payments are made on test claims. When testing is complete, the provider is responsible for refiling the claims for payment. After successful completion of testing, a production **logon identification** number and **password** are assigned to the provider.

## Billing through a Clearinghouse

Providers may choose to contract with a clearinghouse to submit claims to Medicaid. The clearinghouse must use HIPAA-compliant software. It is not necessary for providers to test the software. The clearinghouse handles all of the connections, procedures, and claim submission processes for the provider.

## Value Added Networks

VANs are the services used for transporting data from point to point. EDI vendors offer the services that are needed to begin utilizing online services, such as

- Interactive recipient eligibility verification (EVS)
- Batch transmissions
- Point-of-sale (POS) interactive claim transmission (for pharmacies)

## Interactive Recipient Eligibility Verification

Providers may wish to contract the services of a VAN for access to real-time recipient eligibility verification. Approved VANs interface directly with the Medicaid recipient database maintained by EDS and provide network software verification services to providers at a reasonable cost. Providers also pay a transaction fee to Medicaid ($0.08 for each immediate real-time inquiry and response). The transaction charges are deducted from the Net Pay Amount listed in the claims Payment Summary section (row G) of the Remittance and Status Report (RA). The Adjusted Net Pay Amount equals the amount on the payment check.

The eligibility verification database is updated daily from the State's master eligibility file. This service option is available 24 hours a day, 7 days a week, except during system maintenance (1:00 a.m. to 5:00 a.m. on the first, second, fourth, and fifth Sundays of the month and 1:00 a.m. to 7:00 a.m. on the third Sunday of the month).

To verify eligibility, providers must have the following information:

1.   The Medicaid provider's number or NPI to identify the provider making the inquiry; and
2.   The recipient's Medicaid identification (MID) number, or Social Security Number and date of birth; and
3.   The date of service, which must be a specific date of inquiry within the prior 12 months or a span of dates not more than one calendar month.

The matching response to the eligibility inquiry includes the following:

1.   The recipient's Medicaid identification number
2.   The name of the recipient
3.   The recipient's date of birth
4.   The recipient's Social Security Number if used to make inquiry
5.   The coverage group for eligibility (such as MPW, MQB, MAA, etc.)
6.   Managed care enrollment, if applicable, including the CCNC/CA primary care provider (PCP) name and telephone numbers
7.   Medicare Part A or B coverage, if applicable
8.   Third-party insurance coverage (on up to three policies)

## Approved VAN Vendors

**Emdeon (Previously known as WebMD Envoy, including MediFax – EDI)**
1283 Murfreesboro Pike
Nashville TN 37217
Contact: Sales Department
1-877-469-3263
e-mail: businessservicessales@emdeon.com
Web: http://www.emdeon.com

**MedData**
2100 Rexford Road, Suite 300
Charlotte NC 28211
Contact: Marketing, Eric Donovant
1-877-633-3282
e-mail: info@medconnect.net
Web: http://www.meddatahealth.com

**HDX**
51 Valley Stream Parkway
Malvern PA 19355-1751
Contact: Marketing Department
1-888-826-9702
Web: http://www.siemensmedical.com

**Passport Health Communications, Inc.**
720 Cool Springs Blvd., Suite 450
Franklin TN 37067
Contact: Marketing, Lloyd Baker
e-mail: Lloyd@passporthealth.com
Web: http://www.passporthealth.com/

## Important Telephone Numbers for Electronic Commerce Services

Call 1-800-688-6696 or 919-851-8888, menu option 1, for inquiries on the following topics:

*   ECS provider agreement
*   EDI vendors, clearinghouses, and VANs
*   Software vendor list
*   NCECSWeb
*   Logon authorization
*   Transmission issues

# Electronic Funds Transfer

EDS offers electronic funds transfer (EFT) as an alternative to paper checks. This service enables Medicaid to deposit payments automatically in the provider's bank account. EFT guarantees payment in a timely manner and prevents checks from being lost or stolen.

To initiate the automatic deposit process, providers must complete and return the **Electronic Funds Transfer Authorization Agreement for Automatic Deposit form** and attach a voided check to confirm the provider's account number and bank transit number. A separate EFT form must be submitted for each provider number. Providers must submit a new EFT form if they change banks or bank accounts. A copy of the form can be obtained on DMA's website at http://www.ncdhhs.gov/dma/formsprov.html.

Completed forms can be returned by fax to the EDS financial unit at 919-816-3186 or by e-mail to EFT@ncxix.hcg.eds.com.  Providers will continue to receive paper checks for two checkwrite periods before automatic deposits begin or resume to a new bank account. Providers can verify that the EFT process for automatic deposits has been completed by checking the top left corner of the last page of their RA, which will indicate **EFT number** rather than **check number**.

**Note**: EFT is not available to providers who have been terminated or providers with federal or state garnishments.

## Electronic Commerce Services—Frequently Asked Questions

1. **What is the automatic deposit process?**

   EDS generates a list of deposits on an electronic wire, which represents payments to providers who have chosen automatic deposit. This electronic wire is sent to the Federal Reserve Bank, which makes the transactions to the providers' banks. Simultaneously, the EDS account is debited for the funds.

2. **What are the advantages to automatic deposit?**

   The major advantage is that automatic deposit eliminates needless worry about check delays and checks lost in the mail. Automatic deposit is a more secure form of receiving payment. It generally takes 2 to 3 weeks to reissue a lost check.

3. **How do I enroll for automatic deposit?**

   Providers must complete an **Electronic Funds Transfer Authorization Agreement for Automatic Deposit form**. A copy of the form is available on DMA's website at http://www.ncdhhs.gov/dma/formsprov.html. Complete a separate form for each provider number your organization plans to enroll and attach a voided check for each bank account to verify the account number and bank transit number.

4. **Where do I send my completed forms?**

   Mail the completed form along with a voided check for each bank account to

   > EDS
   > Attn. Finance—EFT
   > P.O. Box 300011
   > Raleigh NC 27622

   Or fax to EDS, Attn. Finance—EFT at 919-816-3186.

   Or e-mail EFT@ncxix.hcg.eds.com.

**5. How will I know when my form has been processed and direct deposit begins?**

The last page of your RA indicates the method of your payment for that checkwrite. A "check number" or an "EFT number" is located in the top left corner beneath your provider number.

**6. How long does it take for deposits to be credited to our account?**

Funds are automatically deposited into your account within four days of the checkwrite date. Copies of the electronic cut-off schedule and the checkwrite schedule are available on DMA's website at http://www.ncdhhs.gov/dma/2003check.htm.

**7. How can I be sure my bank received the money?**

Once EDS has completed the automatic deposit, it is each provider's bank's responsibility to receive the transaction and post it to your account. Transactions can be confirmed by calling your bank's automatic clearinghouse department. The transaction may be referred to the bank as a type "ACH," "direct deposit," or other references. You will need to provide that department with your account number, the checkwrite date, and the amount of the transaction. This information can be obtained from your RA or by calling the Automated Voice Response system at 1-800-723-4337.

Refer to Appendix A for instructions on using the AVR system.

**8. What do I do if I change my bank or my bank account?**

Simply fill out a new form with the new information. **Providers must be able to provide the old bank account information in order to update to new account information.** All requests must be in writing on the EFT Authorization Agreement form. There is an interim time period of two checkwrites during which you will receive a paper check before your automatic deposit resumes to the new bank account. Special tests are run during this time to verify accuracy with your new bank account. The top left corner of the last page of your RA will indicate "EFT number" rather than "check number" when your automatic deposit resumes.

**9. Will my RA go to the bank or to my current mailing address?**

The method of RA delivery does not change. RAs are sent to the mailing address on file with the Medicaid program.

**10. Are recoupments debited from my account?**

No. Completing the EFT form only authorizes Medicaid to make deposits to your account. However, your deposit may be reduced by claim recoupments as shown on the RA.

**11. Whom do I call if I have a question about my automatic deposit?**

Providers may contact EDS at 800-688-6696 or 919-851-8888 via phone. Providers may fax questions to the EDS Finance unit at 919-816-3186, Attn: Finance – EFT. Providers may e-mail questions to EFT@ncxix.hcg.eds.com.